MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON AGRICULTURE

Call to Order: By CHAIRMAN DONALD L. HEDGES, on February 6, 2001 at 3:00 P.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Donald L. Hedges, Chairman (R)

Rep. Linda Holden, Vice Chairman (R)

Rep. Ralph Lenhart, Vice Chairman (D)

Rep. Darrel Adams (R)

Rep. Norma Bixby (D)

Rep. Gilda Clancy (R)

Rep. Rick Dale (R)

Rep. Kathleen Galvin-Halcro (D)

Rep. Verdell Jackson (R)

Rep. Jim Keane (D)

Rep. Larry Lehman (R)

Rep. Holly Raser (D)

Rep. Clarice Schrumpf (R)

Rep. Frank Smith (D)

Rep. Butch Waddill (R)

Rep. Karl Waitschies (R)

Rep. Merlin Wolery (R)

Members Excused: Rep. Dave Gallik (D)

Rep. Christopher Harris (D)

Members Absent: None.

Staff Present: Krista Lee Evans, Legislative Branch

Robyn Lund, Committee Secretary

Please Note: These are summary minutes. Testimony and

discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 211, 2/6/2001; HJ 6,

2/6/2001

HEARING ON HB 211

Sponsor: Representative Butch Waddill, HD 62

Proponents: Representative Ron Erickson, HD 64

Dr. Scott Settle, rancher Percy Scmeiser, farmer

Art Loendorf, Montana Farmer's Union

Don Taylor, Campaign to Reclaim Rural America Jeff Schahczenski, Western Sustainable Ag Group Bob Stevens, Land Institute of Salina, Kansas

Dena Hoff, NPRC

Randi Erickson, Good Food Store

Suzin Kratina, NPRC

Hope Stevens

Loran Dundee, NPRC

Neva Hassanein, Alternative Energy Resources
Organization

organizacion

Robert Boetcher

Paul Cohen

Daniel Dutton, Circle D Ranch

Betty Whiting, Montana Association of Churches

Laughing Water, Real Food Store Russ Salsbury, organic farmer

Jim Barngrover

Representative Holly Raser, HD 70

Opponents: Randy Johnson, Montana Grain Growers Association

Luther Talbert, MSU Carol Lambert, WIFE

Ron Ueland, Western Plant Breeders

Dale Schuler, Montana Grain Growers Association

Doug Ryerson, Monsanto

Arlene Rice, United Agro Products David McClure, Montana Farm Bureau

Mark Peterson, producer

Dan Keil, farmer

Pam Langley, Montana Agricultural Business

Association

Nathan Soulberg, Rocky Mountain Supply

Informational Witnesses: Sharon Quisenberry, MSU

Rep Bishop, Monsanto

Opening Statement by Sponsor:

Representative Butch Waddill, HD 62, submitted written testimony. EXHIBIT (agh30a01) EXHIBIT (agh30a02) HB 211 would put a moratorium on planting genetically modified wheat for two years. The main concern right now is Round-Up Ready wheat, which is resistant to herbicides. The two year moratorium would allow for additional study on the pros and cons of planting GM wheat. Wheat is a major agricultural industry in eastern Montana and we owe it to our Montana wheat farmers to make sure that we make the right decision before we make any major mistakes.

Proponents' Testimony:

{Tape : 1; Side : A; Approx. Time Counter : 8.5}

Representative Ron Erickson, HD 64, rises in support of both this bill and the following resolution. He stated that this is not only a bill about wheat, but also about cattle. The house passed a bill that will allow a tax break for ethanol in Great Falls. The process to make that will use wheat and barley and will give us two products: ethanol and high protein animal feed. It had been asked if GMO wheat would be better or worse for ethanol production. It was said that it would be great because there would be higher yields of wheat, but that's not the whole story. GMO wheat may effect the animal feed. We know that genes have to do with the synthesis of protein, so there can be subtle differences in the protein that will be in the wheat. That will be concentrated in this animal feed.

Dr. Scott Settle, rancher, submitted and explained a chart that showed the differences between genetically engineered crops and the traditional breeding of crops. **EXHIBIT (agh30a03)** Traditionally there is a reciprocal event where no genetic information is lost. 20 years ago transmissible recombination was used, this means that genetic information was taken from one species to another. This is not reciprocal, it is a one-way This is shown on the chart, Exhibit 3. These processes are fundamentally different. After only using a technology for 20 years, we are saying to society that we can exploit this technology, which is based on the evolution of tumor viruses, and make our food. This means that we are going to have parts of plant tumor viruses in our food. What are the consequences of this going to be? Every technology has a waste product, what are the waste products of this technology going to be? We are going to see the results of this in our lifetime. We are taking a quantum leap in the domestication of species. In the past we have used what Mother Nature has given us. In the future the intention is to use what the genetic engineers have thought is acceptable.

Percy Schmeiser, farmer, passed out some pictures of his crops which were damaged by genetically modified crops. **EXHIBIT (agh30a04)** He then handed out some supplemental information relating to his testimony. **EXHIBIT (agh30a05)** He stated that he had been a canola and wheat farmer for 53 years. He was a seed saver and a seed developer, which means that he was using his own seed from year to year. He had been able to develop certain varieties of canola that were resistant to some of the major diseases in western Canada. In 1996 Monsanto introduced GM canola into western Canada. In 1998 he noticed that in his fields there was some canola that was resistant to Round-Up. He became concerned because he had planted his own seed. When it became known that he had some Round-Up resistant canola, Monsanto launched a law suit against him stating that he was growing their GM canola without a license and he had infringed on their patent. His crop was contaminated. In the lawsuit it was stated that it didn't matter how the seed got into his land; it didn't matter if it came from cross pollination, direct seed drip, or whatever. He counter sued saying that Monsanto had destroyed his crop by putting a substance into the environment that they knew they couldn't control, had no intentions of controlling, and now it is out of control. In the lawsuit he has also said that if you have a patent and you put that patent out into the environment and you can't control it, you should lose the right to that patent and be responsible for damages caused. At the end of the day, what it means, as a longtime farmer and wheat/canola grower, is the control of his seed. A farmer should always maintain the right to his own seed.

Art Loendorf, Montana Farmers Union, submitted written testimony.
EXHIBIT(agh30a06)

Don Taylor, Campaign to Reclaim Rural America, submitted written testimony. **EXHIBIT**(agh30a07)

Jeff Schahczenski, Western Sustainable Ag Group, submitted
written testimony and supplemental information.
EXHIBIT(agh30a08) EXHIBIT(agh30a09) EXHIBIT(agh30a10)

Bob Stevens, Land Institute of Salina, Kansas, submitted written testimony. EXHIBIT (agh30a11) It is unfortunate that we have to come to grips with GMOs at the same time that new sustainable agricultural practices have come on line and benefit Montana. He spoke about natural systems agriculture, which is organic. In natural systems agriculture there is a place for wheat.

Dena Hoff, Northern Plains Resource Council, submitted written
testimony. EXHIBIT(agh30a12)

Randi Erickson, Good Food Store, supports both HB 211 and HJ 6. Montana's economic future means a lot to her as a fourth generation native and as a part of the business community. have a large customer base and it is one that is concerned with genetic modification of foods. Montana's economy relies greatly on agriculture and anything that threatens it should be approached with caution. Genetic modification requires this consideration. If we release GMO crops on Montana's farms we can't say with any certainty that the demand for our agriculture will remain. In fact, it may diminish rapidly, as we saw with Starlink corn. Without practical research no one knows what the long-term or short-term effects of GMO crops will be or what it will mean for Montana's all ready fragile economy. A GMO-free market may turn out to be a better way to go. The organic foods market has grown by more than 20% each year for the past 9 year. This is a staggering rate when compared to the 5.5% growth rate in the overall gross domestic product. This translates into sales, 6.4 billion dollars in 1999, 7.76 billion dollars in 2000. The GMO-free market may soon reflect similar growth. These measures are the best way to protect Montana's market.

Suzin Kratina, Northern Plains Research Council, submitted written testimony and supplemental information. EXHIBIT (agh30a13) EXHIBIT (agh30a14)

{Tape : 1; Side : B; Approx. Time Counter : 0}

Hope Stevens wanted to ask if the committee is seriously willing to take this gamble with products from Montana when we have all heard that overseas markets will not accept GMO wheat. She thinks that is just the beginning. Why is it a bad thing to make a study of what's going on and whether it is a good thing or a bad thing? She thinks that it would be a bad thing not to do this.

Loran Dundee, NPRC, responded to the question of how the moratorium would affect ongoing research. With an amendment exempting research from the moratorium, the only affects should be buffer zones and notification requirements. How would it protect Montana's grain if our neighbors grow GM varieties and they are all commingled? We would not be protected under such a scenario, but North Dakota is pursuing a moratorium and an organization in Canada has asked for a prohibition on the licensing on GM wheat varieties. Will it put Montana grain growers at a disadvantage with their competitors? With a moratorium, and if GM spring wheat is introduced somewhere in 2003 and has a cost advantage, Montana grain growers could be at a one-year marketing disadvantage. However, the moratorium is much more likely to give Montana grain growers an advantage over

competitors growing GM wheat. What are the health implications of GMOs? The answer to that is we don't know. What is the impetus behind that bill? We want to protect Montana's high quality wheat, protect our grain growers form potential devastating market loss, and study the implications of GM wheat so that we can act from a standpoint of knowledge rather than ignorance. Montana's agriculture needs better information about GMO crops.

Neva Hassanein, Alternative Energy Resources Organization, submitted written testimony. **EXHIBIT**(agh30a15)

Robert Boetcher submitted written testimony. **EXHIBIT**(agh30a16)

Paul Cohen submitted a letter from Clay McApline. He then went on to say that there is not a specific thou shalt not genetically modify found in the bible, therefore it is assumed that God has no opinion on this subject. This is not true. Mr. Cohen submitted to the committee that God abhors such mixture as will be found through genetic modification. He read from Genesis chapter 11.

Daniel Dutton, Circle D Ranch, submitted written testimony.
EXHIBIT(agh30a17)

Betty Whiting, Montana Association of Churches, supports this bill for the following reasons. MAC affirms and supports humanity's responsibility to care in and for creation. Our effort to protect both the human community and the natural ecology are based on scriptural values. All of us are called by God to be responsible in our creativity and in protecting and sustaining that part of creation placed in our care. We are forming new organisms that are man-made, not God-given. This shouldn't be feared, but should be studied.

Laughing Water, Real Food Store, submitted written testimony and a copy of MIT's Technology Review Magazine as supplemental information. The article deals with the idea that genetic engineering could unleash a race of super weeds.

EXHIBIT (agh30a18) EXHIBIT (agh30a19)

Russ Salsbury, organic farmer, stated that organic pads the value, sometimes doubling the price over conventional crops. He sees GMOs as a threat to his organic and GMO-free certification and to his private property rights. It may all ready be too late for a big part of the country to be clean of GMOs, but there is hope to keep Montana clean if we act now. Nobody knows the potential for harm in the long run of GMO products.

Jim Barngrover submitted written testimony. **EXHIBIT**(agh30a20)

Representative Holly Raser, HD 70, submitted a letter signed by 22 people in her area. EXHIBIT (agh30a21)

Opponents' Testimony:

{Tape : 1; Side : B; Approx. Time Counter : 32.6}

Randy Johnson, Montana Grain Growers Association, said that he is confused because we are talking about a bill that creates a moratorium that expires prior to the date that the first GMO wheat will be available. It must be some authentication for the study that is also being considered. The question that will be asked in the study are the benefits associated with GMO wheat in Montana. There is no answer until Monsanto puts a price on the technology, the seed and the product.

Luther Talbert, MSU, Montana Agricultural Experiment Station Spring Wheat Breeding Program, believes that genetic improvement of plants is a very positive thing for Montana, for the country and the world. The reason we are all sitting here well fed and well clothed is because we have pursued technologies to genetically improve our plants over the last 1000 years. The FDA, USDA and the EPA all will have to approve genetically modified wheat before it becomes available for commercial production. He object to this bill and the idea that Montana thinks its okay for us to withdraw from the rest of the world and become a GMO-free zone. This is short-sighted and very dangerous to our producers and it will impede the ability of wheat breeders to do their job. It will translate into decreased competitiveness for our farmers.

Carol Lambert, WIFE, wanted to point out that many of their members are multi-generation ranchers and farmers. Their priority this year is private property rights. The United States of America was founded on the premise of individual human rights and the ownership and management of private property by those individuals. WIFE therefore insists that all branches of government and agencies enforce the protection of human rights and private property rights. A moratorium is flying in the face of private property rights. The United States spends 700 - 900 billion dollars a year on food. Only 9.26 billion is for organic food.

Ron Ueland, Western Plant Breeders, has spent 23 years as a food processor. A moratorium sends the message to the research community of America that we are closed for business. That is

dangerous for our future as an agricultural state. It takes 7 - 16 years to develop a wheat variety. If they are asked to stop developing and then to think that they can start back up and be in the market in one year, we are kidding ourselves. With the politically charged atmosphere around this issue, do you think the EPA, FDA, and USDA will approve something before it proven? We need to think this through before we go sending a message in the wrong direction. This science is too sound, too great. We have to make progress and keep this science going. Study yes, but not these vague questions that are moving targets.

Dale Schuler, Montana Grain Growers Association, submitted written testimony. EXHIBIT (18)

Doug Ryerson, Monsanto, said that Monsanto doesn't have all the answers, but they are looking at it and studying it. He asked the committee to try to educate themselves about what the technology is and what it can do. Understand the technology before you decide on this bill. He submitted a handout to help educate the committee. **EXHIBIT (19)**

Arlene Rice, United Agro Products, said that there is a great deal of information about GMO technology. She submitted a copy of the MIT Technology Review. EXHIBIT (20) This technology is developing very quickly and there are great things coming from it. We all ready have biotech products in Montana, such as canola. To say that we are going to limit the rights of farmers to use these products is absurd for this committee to consider. There are some neat things coming from the pharmaceutical side of things.

David McClure, Montana Farm Bureau, stated that the issue of biotechnology is one of the top issues in his organization. There is always the desire to grow more and produce a better product, and to produce for the markets. This technology has a lot of promise and can answer some of the problems of profitability in agriculture. They have an extensive policy on the safeguards that should be used when dealing with biotechnology. They support the continued development of crops enhanced through biotechnology. We request that the biotechnology industry adhere to its stated commitment that future products destined for food or feed use will not be released until approved for use in both markets. He hopes that Montana can move forward and not be left behind.

Mark Peterson, producer, opposes the bill for all the reasons preciously mentioned.

Dan Keil, farmer, has been using Round-Up Ready canola and sees it as a very useful tool and hopes that they can continue to use products like that in the future. It is the only way they can see to survive.

Pam Langley, Montana Agricultural Business Association, sees several weaknesses with the moratorium. The fear of the unknown is always present in society as we come into new technology. As drafted, there is no definition of genetically modified wheat, so you don't know what you are placing a moratorium on. There is no enforcement set up in this. What happens to someone if they do plant GMO wheat? It stops research. HB 211 solves a problem that doesn't exist. There won't be any commercialization of Round-Up Ready wheat for at least 2 years, if not 4, because the package hasn't even gone in for approval from the federal government yet.

Nathan Soulberg, Rocky Mountain Supply, said that his concern with this bill is in dealing with hoops and road blocks in preventing other chemistries from getting out into the agronomy field. Industry may see this bill as a road block and may not want to spend some needed dollars in finding new chemistry and managing these resistant weed situations that they currently deal with.

<u>Informational Testimony</u>:

{Tape : 2; Side : A; Approx. Time Counter : 3.1}

Sharon Quisenberry, MSU, submitted written testimony.
EXHIBIT(agh30a21)

Rep Bishop, Monsanto, said that he can't help but think about going to the Bozeman campus 20 years ago and interviewing a young lady named Sally Mets. She is now the leader of the world-wide Round-Up Ready wheat project.

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 7}

REPRESENTATIVE VERDELL JACKSON said that he would like clarification, with the GMOs, have we crossed the line from a variety to a new species? Sharon Quisenberry replied that we have used technology where a gene was transplanted from an aquatic organism into a plant, so yes, we have. REP. JACKSON asked, in the new species, are they capable of reproducing?

Ms. Quisenberry replied, yes, they are. REP. JACKSON wanted to asked about the weeds. Are there new species of weeds being

created? Ms. Quisenberry replied that they have had weeds develop resistance to an herbicide because of the use pattern.

REPRESENTATIVE DARREL ADAMS asked, of the sponsor, how many states around us all ready have a moratorium on this GMO.

Rep. Waddill replied that, at present, there are no states around us that have a moratorium as far as he knows. North Dakota is pursuing a moratorium through their legislative process at this time.

REPRESENTATIVE KATHLEEN GALVIN-HALCRO said that she had heard that it takes 7 - 16 years to develop a variety, who has the financial responsibility for the genetically modified canola that crept into Mr. Schmeiser's land? Percy Scheiser replied that was a concern. Now a lot of farmers are reluctant to indicate to their neighbors that they are growing a GM crop because they are scared of liability. His feeling is that the liability should be with the company that has produced it and put it out into the environment. REP. GALVIN-HALCRO asked if that meant that it hadn't been determined yet. Mr. Schmeiser said that was correct. The insurance companies are concerned about it. REP. GALVIN-HALCRO then asked what affect does Round-Up have on GM canola or wheat. Will it kill it? Mr. Schmeiser reminded the committee that the gene that was put into canola doesn't make it grow, flower or produce seed. All it does is protect it if you spray a specific herbicide on it. At the end of the day it is costing farmers more to control it. REP. GALVIN-HALCRO asked if there is any benefit to the neighbors from what they get from GM canola. Mr. Schieser replied that many farmers who grew it for one year only have now found volunteer canola, this limits them in the crops they can use the following year because of the residue that is left in the soil from the chemicals that they had to use to control the canola.

REP. GALVIN-HALCRO then asked the same questions of Dr. Ryerson. **Dr. Ryerson** said that as far as volunteer canola, there are several items that are used for control. He feels that the idea of super weeds is an over-statement of fact.

REPRESENTATIVE MERLIN WOLERY asked if Mosanto is currently doing end-use testing on Round-Up Ready wheat. Dr. Ryerson replied that they are doing many different studies and they are working with end-users. They hope to have a market in place, so these are issues that can be overcome. REP. WOLERY asked if allergenic testing is being done. Dr. Ryerson said yes.

REPRESENTATIVE HOLLY RASER asked, of the sponsor, when it says a moratorium on GM wheat, can you explain, does that mean the

actual planting, the production of the seed, the research involved? **Rep. Waddill** said the actual planting is the main concern. He does have an amendment that gives the definition of genetically modified wheat and also addresses that research is not affected by this moratorium.

REP. RASER asked, if MSU happened to be developing a seed that is Round-Up Ready and this did get into someone else's field through volunteer means, who would be liable for the clean-up of that. Sharon Quisenberry stated that it was not something that MSU could handle or license, so all that would be done through a third party, which means that MSU would not have a liability. REP. RASER asked if someone would be liable to clean this up, if not MSU. Ms. Quisenberry replied that the third party company would be liable. The reason is because, if this is released in the state, because of the sensitivity to the world grain market, this seed has to be control and we have to make sure that it is not commingled with the wheat product that we sell overseas.

REPRESENTATIVE FRANK SMITH said that he was under the impression that most of the grain crops are all ready altered, is this correct? Pam Langley replied to her knowledge, it was. What we are getting into is the definition of genetically modified wheat. REP. SMITH asked if Fargo wheat was genetically modified.

Ms. Langley deferred to Luther Talbert. Mr. Talbert replied that in Montana there are at least 50 different varieties of wheat, and 7 different classes of wheat, all of which have to be segregated for marketing purposes. They are all genetically distinct from each other. REP. SMITH asked what he thought would be the impact of line 15 on Montana farmers. Mr. Talbert said that it would stop all research. How will we know the answers to these questions if we can't test the wheat? In his opinion, the amendments which were intended to allow research would in fact serve the same purpose of stopping the research.

REP. RASER asked for clarification, there are currently 50 varieties of genetically modified wheat in Montana. Mr. Talbert said that he was referring to the fact that it depends on your definition of genetically modified. In terms of using transgenic technology, there are not any currently grown in Montana.

REP. JACKSON asked if any of the wheat is sterile. Mr. Talbert said no, but he wanted to point out that we don't have a Round-Up Ready variety available. There seems to be no more sterility in Round-Up Ready wheat than you would see in any other normal wheat variety.

Closing by the sponsor:

{Tape : 2; Side : A; Approx. Time Counter : 31.2}

Rep. Waddill said that the intent of the bill was to have a moratorium so that we can take a look at the problem. That would only be necessary if there were concerns for planting GMO wheat. He thinks that the testimony here has shown the answer to that.

HEARING ON HJ 6

Sponsor: Representative Butch Waddill, HD 62

Proponents: Betty Whiting, Montana Association of Churches

Jim Barngroger

Dr. Scott Settle, rancher

Opponents: David McClure, Montana Farm Bureau

Luther Talbert, MSU

Dale Schuler, Montana Grain Growers Association

Arlene Rice

Carol Lambert, WIFE

Ron Ueland, Western Plant Breeders

Marc Peterson, farmer

Pam Langley, Montana Agro Business

Daniel Dutton, Circle D Ranch

Informational Witnesses: Sharon Quisenberry, MSU

Opening Statement by Sponsor:

Rep. Waddill said that HJ 6 is the companion legislation for the previous bill. It requests that a staff or interim committee conduct a study on the impacts of genetically modified wheat on Montana's economy and the liability that may be associated with the production of GMO wheat.

Proponents' Testimony:

{Tape : 1; Side : B; Approx. Time Counter : 32.2}

Betty Whiting, Montana Association of Churches, said that there are concerns for the economics of the family farms in Montana. In the absence of federal antitrust enforcement, independent producers are vulnerable to price manipulation by monopolies in the agricultural industry. They are concerned that there may be monopolies controlling the seed and manipulating the price of those seeds. This would mean the end of the independent producers in Montana. They are concerned about losing overseas

markets. In the study we need to ask, what is the likelihood of the Asian markets accepting GMO wheat in the future. The legislation needs to protect God's creation, provide food safety, and bring about economic justice to Montana agriculture.

Jim Barngrover quoted form the Pope, "The use of biotechnology in agriculture can not be evaluated only on the basis of the immediate economic interest. It is necessary to subject it, in advance, to rigorous scientific and ethnical checking to prevent it ending up a disaster for the future of the earth."

Dr. Scott Settle said that there had been a lot of talk about experimentation and testing that the FDA and EPA will do. The true experiment will be when the products of this technology are put on the farm land. Where will the waste be?

Opponents' Testimony:

{Tape : 1; Side : B; Approx. Time Counter : 40}

David McClure, Montana Farm Bureau, supports study as it relates to agriculture, but there are tons of studies on this that have all ready been completed. The proper venue for this scientific, unbiased analysis would be the College of Agriculture and the research stations. He thinks it is a mandate to our agriculture departments from the governor's task force to analyze those areas, as well as potential markets. He would propose that would be the proper venue.

Luther Talbert, MSU, submitted written testimony.
EXHIBIT(agh30a22)

Dale Schuler, Montana Grain Growers Association, submitted
written testimony. EXHIBIT(agh30a23)

Arlene Rice wanted to say that the Canadian Department of Agriculture is embracing this technology and moving very fast. They feel that what we have here is a glitch in the education. Monsanto is a small link in the biotech world. They are not what biotech is all about. We need to look at the whole picture.

Carol Lambert, WIFE, doesn't object to a study. They object to the way this bill is written. There are all ready many studies out there.

Ron Ueland, Western Plant Breeders, submitted written testimony
and a letter. EXHIBIT(agh30a24) EXHIBIT(agh30a25)

Marc Peterson concurred with previous testimony.

An unidentified witness wanted to say that the real answers to the question that we have will come from the producers and the consumers. Producers are not ignorant. They are skillful managers, they are not going to adopt this technology unless there are efficiencies in it.

Pam Langley, Montana Agro Business, submitted written testimony.
EXHIBIT(agh30a26)

Daniel Dutton, Circle D Ranch, submitted written testimony.
EXHIBIT(agh30a27)

<u>Informational Testimony</u>:

{Tape : 2; Side : B; Approx. Time Counter : 0.8}

Sharon Quisenberry, MSU, wanted to say that a comprehensive and rigorous environmental assessment, public involvement and more is needed to assure consumers that GMO food products are safe for consumption and the environment. The use of technology must be ethical and equated to a safe and secure food supply.

Questions from Committee Members and Responses:

{Tape : 2; Side : B; Approx. Time Counter : 1.6}

REPRESENTATIVE JIM KEANE asked what would be a date that Round-Up Ready wheat could be possibly planted in the state of Montana for commercial production. Luther Talbert replied that, in the best case scenario, 2003, but that is optimistic and it will probably be later than that. REP. KEANE clarified that there was none ready to be planted at this time. Mr. Talbert said that to his knowledge there is no strain of Round-Up Ready wheat ready to be planted that would be suitable to be grown in Montana.

REPRESENTATIVE HOLLY RASER asked, we have heard a lot today about the increased protein benefits and possible pharmaceutical benefits, for the wheat that Mr. Talbert is working on right now the initial target is herbicide resistance, are you working on protein enhanced products or pharmaceutical benefits?

Mr. Talbert replied that they are researching niche in quality wheat that could be sold in several of the niche markets. These products are further behind than the herbicide resistance.

REP. RASER asked if the Round-Up Ready wheat would be specific to just Round-Up? Mr. Talbert said that it would be resistant to the chemical glyphosate, of which Round-Up is one brand name.

REP. RASER asked a question of Mr. McClure. He had said that he wouldn't object to having the studies and that he felt that the

ag stations or the universities would be in a better position to do the studies. Would this put the MSU research center in a difficult situation given the level of economic support that Monsanto has given them? **Mr. McClure** believes that we have an outstanding university system and that is where the intellectuals reside and study this type of issue. Those are the experts of Montana and their research is subject to peer review.

REP. RASER asked the same question of Sharon Quisenberry. **Ms. Quisenberry** said that even the research that they do for Monsanto is unbiased. The results that they produce in the field are the results that are reported. They are not in a position of anyone buying their unbiased authority. This would not be a conflict of interest because the university system is one that we have to maintain. The main goal at the university is to make sure that we are not dually influenced by anyone, so that means that the results and the type of information that they produce must be totally unbiased.

REPRESENTATIVE DAVE GALLIK asked a question of Mr. Ueland. one here feels that producers are ignorant. You mentioned that this was not the proper forum in which to look at this subject matter, given the fact that it is the legislature who will make a determination as to whether or not the GMOs are appropriate for planting in Montana wheat, what is the proper forum? Mr. Ueland said that he concurred with the Farm Bureau. There are lots of studies going on and if we are going to have one at MSU, those are probably the experts in this area. The forum should be the experts who deal with this technology and these issues everyday. REP. GALLIK asked, in HJ 6, page 2, line 25, wouldn't it be an appropriate forum that there should be the invitation of participation by and the involvement of knowledgeable persons including farmers, ranchers, et cetera. Why shouldn't those people be at the table for the study? Mr. Ueland said that they will be. They appoint everything that goes on at MSU. We seem to keep replowing ground here. We will have study on study on study. We need to have the people who are really experts on this get into it and get it approved to go.

REPRESENTATIVE VERDELL JACKSON asked a question of Sharon Quisenberry. He thinks that this is an overwhelming issue because he had not realized that technology had come as far as it has. He thinks that a safe and secure food supply is the bottom line. Do you think that the two year moratorium will put us in a better position in terms of all of these issues that we need to resolve? Ms. Quisenberry replied that we are going to have a moratorium anyway because seed won't be available until at least 2004, from what she understands. The organic producers in the state haven't been addressed very much and she feels that their

concerns need to be addressed as well as our commodity groups. We need to know the issues and sort through them on both scientific and ethical basis. REP. JACKSON said that the idea that he gets in terms of the moratorium is the urgency is that there is danger in planting the types of things that we are planting, that they could get out of control. Do you feel that there is an eminent danger in continuing business as usual? Ms. Qusienberry replied that there is no certainty that Round-Up Ready wheat will ever be released in Montana for several reasons: 1, the added cost of the technology might not be acceptable to the producer; 2, there is a concern about escapes. We need to ensure that somebody answers the questions that are brought forward and that we have suitable answers. Since the seed won't be available for a while we are not in eminent danger, but it is something that we need to pay attention to because of the concerns.

Closing by Sponsor:

{Tape : 2; Side : B; Approx. Time Counter : 16.9}

Rep. Waddill said that he thinks that, if approved, MSU would be a major link in this study. We can't guarantee that Monsanto won't put this out for several years, we can't guarantee that Monsanto isn't the only one who is going to come up with a GMO wheat. We have heard advantages and disadvantages. We all need to work together to ensure that the Montana farmers, transporters, elevator operators and millers are not put at risk. We talked about a safe and secure food supply, which is paramount. He emphasized that even though Starlink corn was FDA, EPA government approved and supervised, it got into the food supply and resulted in an almost one billion dollar liability payment. Are we seriously willing to gamble with our Montana wheat farmers' futures?

ADJOURNMENT

Adi	ournment:	6:15	P.M.

REP. DONALD L. HEDGES, Chairman

ROBYN LUND, Secretary

DH/RL

EXHIBIT (agh30aad)